



U.S. Department of Agriculture  
Foreign Agricultural Service

## Fact Sheet

### *WTO and Agriculture* **What's at Stake for Montana?**

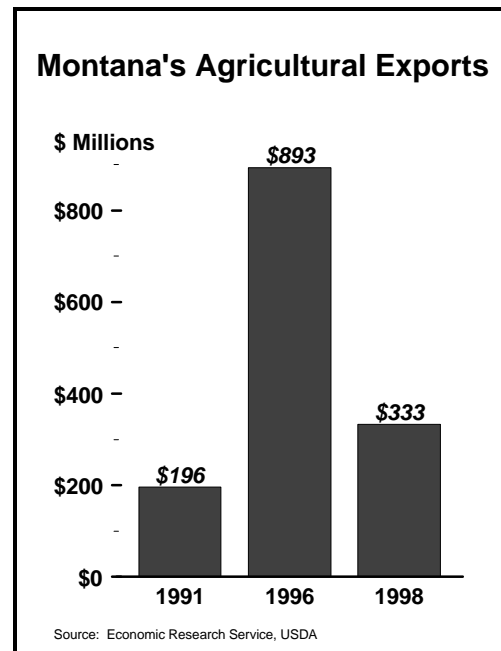
#### **October 1999**

Montana produces and exports agricultural and forest products worldwide. The state's farm cash receipts and forest product shipments totaled \$1.8 billion in 1998 and \$1.1 billion in 1996, respectively. In 1998, the state's agricultural exports reached an estimated \$333 million. Exports helped boost farm prices and income while supporting about 5,000 jobs both on and off the farm in food processing, storage, and transportation. Exports are important to Montana's agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports has risen from 13 percent to 19 percent since 1991.

The top five agricultural exports in 1998 were:

- # wheat and products -- \$247 million
- # feed grains and products -- \$38 million
- # feeds and fodders -- \$27 million
- # live animals and red meats -- \$17 million
- # seeds -- \$4 million

World demand is increasing, but so is competition among suppliers. If Montana's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.



#### **Montana Benefits From Trade Agreements**

- # The nation's third largest wheat producer, Montana benefits under the Uruguay Round from a 33-percent reduction in the quantity of EU wheat receiving export subsidies by 2000. Japan is expanding its 5,530,000 ton tariff-rate quota by 35,000 tons annually from 1995 to 2000.
- # With a large portion of its farm receipts coming from the cattle industry, Montana benefits from the Uruguay Round with a 38-percent reduction in the quantity of EU beef receiving export subsidies by 2000. Japan is reducing beef tariffs from 50 percent to 38.5 percent. Korea will eliminate its import quota by 2001 and reduce its tariffs to 40 percent by 2004. The Philippines is reducing its beef tariff from 60 percent to 35 percent.